## SECRET

SAFC 7 7363 Copy of 7 28 June 1956

TO : Preject Contracting Officer

SUBJECT: Playback Equipment for System 1 (\$18,123)

- l. Reference is made to the attached letter from the Department of Air Force, file reference AFCIX-IA3 dated 7 June 1956, in which the Director of Intelligence for the Air Force requested that we prosure as a portion of one of A.UATCHE's contracts two sets of the subject equipment at a cost of \$20,000.
- 2. In discussing this item with the controller of the Air Force, Director of Intelligence (Captain Kuhlman, code 131, extension 66712) it was disclosed that there was a misunderstanding as to the cost of the items and accordingly, the request was reduced from two units to one unit at a cost of \$18,123.
- 3. Captain Ruhlman advised that they actually need two pieces of this playback equipment but because of budgetary restrictions he was unable to authorise in excess of \$20,000 from 1956 fiscal year funds and he suggests our obligation on their behalf should be in the assumt of \$18,123, with the understanding that they will communicate with us further with respect to procuring another item of equipment after their 1957 fiscal year's monies have been made available.

Froject Comptreller

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Distribution:

O&1 - Addressee

3 - Chief, Fiscal Div.

4 - Chief, Budget Div.

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